



## POLICY NO. CP 5.4.33

### POLICY STATEMENT

### RISK MANAGEMENT

#### PURPOSE:

To provide strategic approach to risk management that raises risk awareness across the organisation and ensures sound risk management practices are integrated into the future planning and day to day practices of the City.

## 1. SCOPE

This policy is applicable to all of the City's operations, functions, activities, projects and events.

## 2. POLICY

2.1 The City is committed to developing and implementing a Risk Management Framework in accordance with the risk management standard AS/NZS ISO 31000:2018, which will include systems to identify, treat, monitor, review and report risks across all of its operations.

2.2 The City is committed to developing and maintaining appropriate documentation to guide the implementation of enterprise risk management throughout the organisation.

2.3 The objectives of this policy are to:

- (a) Promote a culture of risk awareness and active management of risks;
- (b) Protect the City by systematically identifying risks and managing them appropriately;
- (c) Ensure Council is provided with reliable information to support decision-making and planning;
- (d) Reduce the potential costs of risk by reducing liability, preventing litigation and improving loss control, which impacts on the cost of insurance; and
- (e) Assign responsibilities for managing risks.

## 3. RESPONSIBILITIES FOR RISK MANAGEMENT

### 3.1 Council

- (a) Council is responsible for reviewing and approving the Risk Management Policy, Framework, and risk tolerance levels;
- (b) Considering risk management issues in reports to Council; and



- (c) Considering recommendations from the Audit Committee in relation to the adequacy of the City's systems and processes for managing risk.

### **3.2 Audit Committee**

The Audit Committee is responsible for the oversight of the City's approach to risk management and assessing the adequacy of the City's systems and processes for managing risk.

### **3.3 Chief Executive Officer**

The Chief Executive Officer is responsible for:

- (a) The implementation of Council's Risk Management Policy;
- (b) Ensuring the development, implementation and review of the City's Risk Management Framework;
- (c) Communicating to employees the City's commitment to developing, implementing and managing an effective Risk Management Framework;
- (d) Ultimately determining if levels of residual risk are acceptable;
- (e) Ensuring reports prepared for Council include appropriate information in relation to risk to enable informed decision making; and
- (f) Undertaking reviews of the City's systems and processes for managing risk and reporting the outcome of those reviews to the Audit Committee.

## **4. RISK TOLERANCES**

The level of risk that is acceptable to the City will be assessed and determined on a case by case basis; however, the City will maintain a conservative approach to risk.

In line with its conservative attitude to risk, the City will not accept risks that carry a major or catastrophic residual risk of any of the following events or circumstances occurring:

- (a) A significant negative affect on the City's financial sustainability;
- (b) An interruption to essential services that extends for more than one week;
- (c) Substantial public embarrassment;
- (d) Compromised health, safety or welfare of staff, Councillors, contractors, volunteers, or members of the community;
- (e) Damage to relationships with a majority of, or significant, stakeholders; and
- (f) A significant breach of legislative requirements and/or successful litigation against the City.



## 5. REPORTING

A report on the adequacy of the City's systems and processes for managing risk will be presented to the Audit Committee and Council on a triennial basis.

### GOVERNANCE REFERENCES

<b>Statutory Compliance</b>	Local Government (Audit) Regulations 1996, r17
<b>Industry Compliance</b>	AS/NZS ISO 3001, Risk management - Guidelines
<b>Organisational Compliance</b>	Risk Management Framework
<b>Process Links</b>	Nil

### POLICY ADMINISTRATION

Directorate		Officer Title		Contact:	
Executive Services		Coordinator Corporate Risk		9397 3000	
<b>Risk Rating</b>	Low	<b>Review Cycle</b>	Triennial	<b>Next Due:</b>	2026
Version	Decision Reference	Synopsis			
1.	OCM 377/23/08/2011	Redraft replaces revoked Council Policy 5.4.33.			
2.	OCM 382/23/09/2014	Reviewed and amended with minor changes to the purpose, deleted Part 2 - Rationale, clause 2.3(e) clarified to assign responsibilities for managing risk, Part 3 substantially amended to provide greater clarity for the role of Council, Audit Committee and the CEO. New section on risk tolerance added.			
3.	OCM 261/24/09/2019	Reviewed and amended.			
4.	OCM 96/18/04/2023	Reviewed and amended.			